

AMENDED IN ASSEMBLY APRIL 25, 2013

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 621**

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**Introduced by Assembly Member Wagner**  
**(Coauthors: Assembly Members Beth Gaines and Harkey)**

February 20, 2013

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An act to add Section 53593.5 to the Government Code, relating to local government.

### LEGISLATIVE COUNSEL'S DIGEST

AB 621, as amended, Wagner. Local government: bonds.

Existing law prohibits an investment firm, as defined, from having specified interests in a new issue of bonds from a local agency.

This bill would prohibit a local agency from entering into a financial advisory, legal advisory, underwriting, or similar relationship with an individual or firm, with respect to a bond issue that requires voter approval on or after January 1, 2014, if that individual or firm, or an employee, agent, or person related, *as defined*, to an employee or agent of the individual or firm, provided or will provide bond campaign services, as defined, to the bond campaign.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 53593.5 is added to the Government
- 2 Code, to read:

1 53593.5. (a) A local agency shall not enter into a financial  
2 advisory, legal advisory, underwriting, or other similar relationship  
3 with an individual or firm, with respect to a new issue of bonds  
4 that requires voter approval on or after January 1, 2014, if that  
5 individual or firm, or an employee, agent, or person related to an  
6 employee or agent of the individual or firm, provided or will  
7 provide bond campaign services to the bond campaign.

8 ~~(b) For purposes of this section, “related” includes, but is not~~  
9 ~~limited to, a family relationship by blood or marriage, a financial~~  
10 ~~relationship, an affiliation between business associations, or~~  
11 ~~business associations with directors or principals in common.~~

12 ~~(e) (1) For purposes of this section, “bond~~

13 ~~(b) As used in this section:~~

14 (1) (A) “Bond campaign services” includes fundraising,  
15 donation by the individual or firm to the bond campaign, public  
16 opinion polling, election strategy and management, organization  
17 of campaign volunteers, get-out-the-vote services, development  
18 of campaign literature, and advocacy materials.

19 ~~(2)~~

20 (B) “Bond campaign services” does not include either of the  
21 following:

22 ~~(A)~~

23 (i) Advice and support related to the preparation of tax rate  
24 statements and other documentation required for inclusion in the  
25 voter pamphlet published by the applicable county registrar of  
26 voters.

27 ~~(B)~~

28 (ii) Public opinion polling that is conducted before a bond  
29 measure is placed on the ballot for the purposes of gathering  
30 information regarding, and evaluating the potential for, the adoption  
31 of the bond measure by the electorate.

32 (2) “Related” includes, but is not limited to, a family  
33 relationship by blood or marriage, a financial relationship, an  
34 affiliation between business associations, or business associations  
35 with directors or principals in common.